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MANUFACTURING AND TRADE INVENTORIES AND SALES May 2007

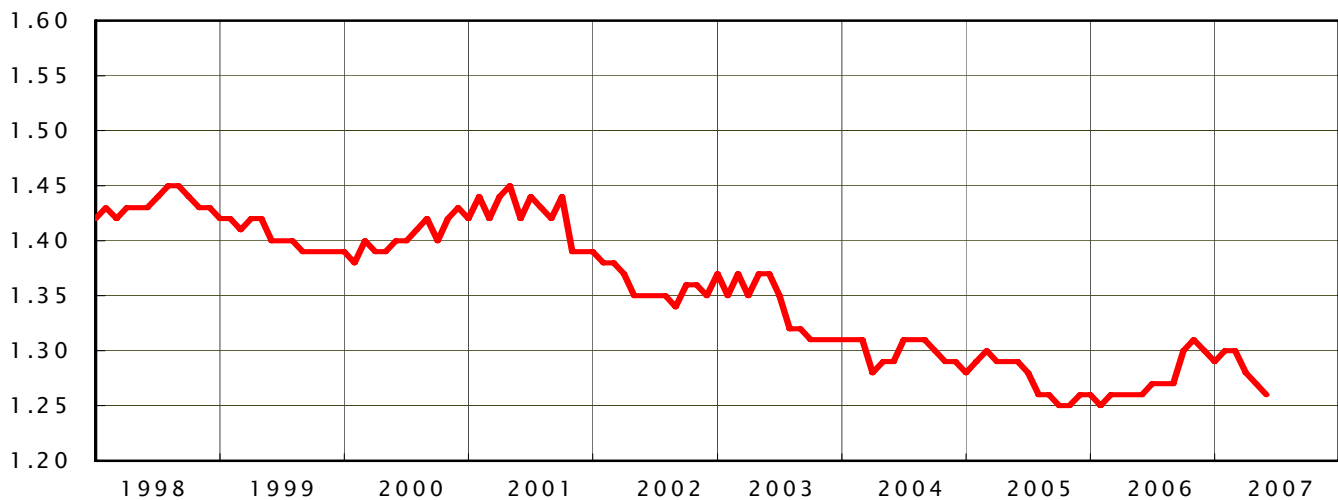
Sales. The U.S. Census Bureau announced today that the combined value of distributive trade sales and manufacturers' shipments for May, adjusted for seasonal and trading-day differences but not for price changes, was estimated at \$1,115.1 billion, up 1.3 percent ($\pm 0.2\%$) from April 2007 and up 4.0 percent ($\pm 0.5\%$) from May 2006.

Inventories. Manufacturers' and trade inventories, adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,406.2 billion, up 0.5 percent ($\pm 0.1\%$) from April 2007 and up 4.0 percent ($\pm 0.5\%$) from May 2006.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of May was 1.26. The May 2006 ratio was 1.26.

Total Business Inventories/Sales Ratios: 1998 to 2007

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for June is scheduled to be released August 13, 2007 at 10:00 a.m. EDT.

For information, visit the Census Bureau's Web site at <http://www.census.gov/bussales>. This report is also available the day of issue through the Department of Commerce's STAT-USA (202-482-1986).

** The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.*

Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories ¹			Inventories/Sales Ratios		
	May 2007	Apr. 2007	May 2006	May 2007	Apr. 2007	May 2006	May 2007	Apr. 2007	May 2006
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted²									
Total business.....	1,115,108	1,100,915	1,072,137	1,406,181	1,399,463	1,352,522	1.26	1.27	1.26
Manufacturers ³	417,846	413,544	419,330	515,045	513,302	494,016	1.23	1.24	1.18
Retailers.....	340,096	334,693	324,199	494,472	491,365	486,694	1.45	1.47	1.50
Merchant wholesalers.....	357,166	352,678	328,608	396,664	394,796	371,812	1.11	1.12	1.13
Not Adjusted									
Total business.....	1,165,936	1,084,653	1,118,462	1,404,482	1,405,940	1,351,605	1.20	1.30	1.21
Manufacturers ³	432,878	406,836	434,691	518,900	515,621	497,709	1.20	1.27	1.14
Retailers.....	359,068	327,420	340,330	493,427	496,225	486,221	1.37	1.52	1.43
Merchant wholesalers.....	373,990	350,397	343,441	392,155	394,094	367,675	1.05	1.12	1.07

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

Table 2. Percent Changes for Sales and Inventories — Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	May 07/ Apr. 07	Apr. 07/ Mar. 07	May 07/ May 06	May 07/ Apr. 07	Apr. 07/ Mar. 07	May 07/ May 06	May 07/ Apr. 07	Apr. 07/ Mar. 07	May 07/ May 06	May 07/ Apr. 07	Apr. 07/ Mar. 07	May 07/ May 06
Total business.....	1.3	0.7	4.0	0.5	0.4	4.0	7.5	-4.6	4.2	-0.1	0.6	3.9
Manufacturers.....	1.0	1.0	-0.4	0.3	0.4	4.3	6.4	-5.9	-0.4	0.6	1.3	4.3
Retailers.....	1.6	-0.4	4.9	0.6	0.3	1.6	9.7	-4.1	5.5	-0.6	0.6	1.5
Merchant wholesalers..	1.3	1.5	8.7	0.5	0.3	6.7	6.7	-3.6	8.9	-0.5	-0.2	6.7

Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business
(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories ¹			Percent Change In Inventories			Inventories/Sales Ratios		
		May 2007 (p)	Apr. 2007 (r)	May 2006 (s)	May 2007 (p)	Apr. 2007 (r)	May 2006 (s)	May 07/ Apr. 07	Apr. 07/ Mar. 07	May 07/ May 06	May 07	Apr. 07	May 06
	Adjusted ²												
	Retail trade, total.....	340,096	334,693	324,199	494,472	491,365	486,694	0.6	0.3	1.6	1.45	1.47	1.50
	Total (excl. motor veh. & parts).....	262,627	258,083	250,572	341,329	338,877	327,237	0.7	0.4	4.3	1.30	1.31	1.31
441	Motor vehicle & parts dealers.....	77,469	76,610	73,627	153,143	152,488	159,457	0.4	0.2	-4.0	1.98	1.99	2.17
442,3	Furniture, home furn., elect. & appl. stores.....	19,636	19,501	18,970	32,241	32,454	32,301	-0.7	0.0	-0.2	1.64	1.66	1.70
444	Building materials, garden equip & supplies.....	30,417	29,042	29,992	48,260	48,383	47,487	-0.3	2.9	1.6	1.59	1.67	1.58
445	Food & beverage stores.....	47,375	47,189	44,853	35,026	34,743	34,396	0.8	-0.5	1.8	0.74	0.74	0.77
448	Clothing & clothing access. stores.....	18,980	18,518	17,626	49,845	49,501	46,131	0.7	-0.2	8.1	2.63	2.67	2.62
452	General merchandise stores.....	47,897	47,418	45,721	76,836	76,538	72,049	0.4	0.8	6.6	1.60	1.61	1.58
4521	Dept. str. (excl. leased depts.).....	17,550	17,323	17,668	36,954	37,015	35,673	-0.2	1.0	3.6	2.11	2.14	2.02
	Not Adjusted												
	Retail trade, total.....	359,068	327,420	340,330	493,427	496,225	486,221	-0.6	0.6	1.5	1.37	1.52	1.43
	Total (excl. motor veh. & parts).....	272,916	249,182	258,875	334,830	334,808	321,071	0.0	0.3	4.3	1.23	1.34	1.24
441	Motor vehicle & parts dealers.....	86,152	78,238	81,455	158,597	161,417	165,150	-1.7	1.4	-4.0	1.84	2.06	2.03
442,3	Furniture, home furn., elect. & appl. stores.....	18,800	17,221	18,109	31,596	31,805	31,655	-0.7	1.3	-0.2	1.68	1.85	1.75
444	Building materials, garden equip & supplies.....	37,911	31,873	36,763	49,949	50,754	49,149	-1.6	3.5	1.6	1.32	1.59	1.34
445	Food & beverage stores.....	49,142	45,538	46,201	34,663	34,106	34,051	1.6	-1.3	1.8	0.71	0.75	0.74
448	Clothing & clothing access. stores.....	18,755	17,381	17,234	48,250	48,461	44,655	-0.4	-1.3	8.1	2.57	2.79	2.59
452	General merchandise stores.....	47,707	44,863	45,214	73,641	74,435	69,102	-1.1	0.8	6.6	1.54	1.66	1.53
4521	Dept. str. (excl. leased depts.).....	16,899	16,070	16,912	34,995	35,979	33,854	-2.7	1.2	3.4	2.07	2.24	2.00

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

¹ Inventories are on a non-LIFO basis as of the end of the month.

² Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

³ Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is ± 1.2 percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.